BUILDING NO: _____

BUILDING CAPTAIN'S APT: _____

PLEASE DO NOT DROP INTO MAIL SLOTS

MINUTES OF THE REGULAR MONTHLY MEETING OF THE BOARD OF DIRECTORS SEAL BEACH MUTUAL SIX March 24, 2017

The Regular Monthly Meeting of the Board of Directors of Seal Beach Mutual Six was called to order at 9:32 a.m. by President Garrett on Friday, March 24, 2017, in the Administration Building Conference Room A.

ROLL CALL

Present:	President Garrett, Vice President Dowd, Secretary Simpson, Chief Financial Officer Turetskiy, and Directors Granger and May
Absent:	Director Catron
GRF Representative:	Ms. Hopewell
Guests:	Twelve shareholders of Mutual Six
Staff:	Ms. Miller, Director of Finance (9:54 a.m.) Ms. Hopkins, Mutual Administration Director Mr. Van Horn, Building Inspector Mrs. Aquino, Recording Secretary

President Garrett welcomed the Board members, staff, and guests to the meeting.

SHAREHOLDER COMMENTS

Several shareholders made comments.

MINUTES

President Garrett, asked Vice President Dowd to obtain approval of the February minutes since he was absent. Vice President Dowd asked if there were any corrections to the February 24, 2017, Regular Board Meeting minutes. There being no corrections, the minutes were approved by acclamation.

BUILDING INSPECTOR'S REPORT

Building Inspector Van Horn updated the Board on activity in the Mutual (attached).

Inspector Van Horn left the meeting at 9:54 a.m.

GRF REPRESENTATIVE

Ms. Hopewell updated the Board on GRF activity. (Please read her report on the issuance of ID cards to Leisure World residents.)

GUEST SPEAKER – Ms. Miller

Ms. Miller reviewed the Financial Statements as of the year ending December 31, 2016, and proposed Accountant's Report as submitted by NSBN LLP.

Following a discussion, and upon a MOTION duly made by CFO Turetskiy and seconded by Vice President Dowd, it was

> RESOLVED, That the Board of Directors of Seal Beach Mutual Six, upon a presentation of the Financial Statements as of December 31, 2016, for the year then ended, and the proposed Accountant's Report as submitted by NSBN LLP, hereby accepts the above mentioned Financial Statements and reports therein.

The MOTION passed.

Following a discussion, and upon a MOTION duly made by Director May and seconded by CFO Turetskiy, it was

> RESOLVED, To authorize the President to sign the Management Representation Letter as presented by Ms. Miller, Director of Finance.

The MOTION passed.

Ms. Miller left the meeting at 10:24 a.m.

GRF Representative Hopewell left the meeting at 10:24 a.m.

President Garrett called for a break from 10:24 a.m. to 10:40 a.m.

CHIEF FINANCIAL OFFICER'S REPORT

CFO Turetskiy presented his financial report (attached).

UNFINISHED BUSINESS

Following a discussion, and upon a MOTION duly made by Director Granger and seconded by CFO Turetskiy, it was

> RESOLVED, To charge a buyer premium of $500 for new shareholders moving into Mutual Six effective, immediately.

The MOTION passed.

Following a discussion, and upon a MOTION duly made by Vice President Dowd and seconded by Director May, it was

> RESOLVED, To adopt Policy 7549 – Lockout Procedures on a preliminary basis until the 30–day posting period is completed.

The MOTION passed.

Following a discussion, and upon a MOTION duly made by Vice President Dowd and seconded by Director May, it was

> RESOLVED, To ratify the email vote taken on February 14, 2017, regarding the removal of the tree at Unit 139–F, at a cost of $480.

The MOTION passed.

The Board discussed the scope of work at Carports 72 and 73. Upon a MOTION duly made by Director May and seconded by Secretary Simpson, it was

> RESOLVED, That Phase One of the work at Carports 72 and 73 including all portions in the phase be contracted to Jurado Construction, at a cost not to exceed $12, 300, and to authorize the President to sign the contract.

The MOTION passed.

NEW BUSINESS

Following a discussion, and upon a MOTION duly made by Vice President Dowd and seconded by Director May, it was

> RESOLVED, To approve the roofing contract for an open patio for Unit 142–D, and authorize the president to sign the contract in the amount of $3,000.

The MOTION passed.

Following a discussion, and upon a MOTION duly made by Director May and seconded by Vice President Dowd, it was

> RESOLVED, To start the repainting of the curbing Carports 81, 82, 74, 75, and 76, at a cost of $2,000, and authorize the President to sign the contract.

The MOTION passed.

Following a discussion, and upon a MOTION duly made by Director May and seconded by Secretary Simpson, it was

> RESOLVED, To rescind Policy 7512 – Guarantor Agreement Form on a preliminary basis until the 30–day posting period is completed.

The MOTION passed.

MUTUAL ADMINISTRATION DIRECTOR

Ms. Hopkins presented her Mutual Administration activity reports (attached).

DIRECTORS COMMENTS

Several Directors made comments.

ADJOURNMENT

President Garrett adjourned the meeting at 12:06 p.m. and stated there would be an Executive Session regarding member issues to follow.

Attest
Vida Simpson, Secretary
SEAL BEACH MUTUAL SIX
ka:3/27/17
Attachments

NEXT REGULAR MEETING: APRIL 28, 2017 at 9:30 a.m.

RESOLUTIONS IN THE REGULAR MONTHLY MEETING MARCH 24, 2017

3/24/17 RESOLVED, That the Board of Directors of Seal Beach Mutual Six, upon a presentation of the Financial Statements as of December 31, 2016, for the year then ended, and the proposed Accountant's Report as submitted by NSBN LLP, hereby accepts the above mentioned Financial Statements and reports therein.

RESOLVED, To authorize the President to sign the Management Representation Letter as presented by Ms. Miller, Director of Finance.

RESOLVED, To charge a buyer premium of $500 for new shareholders moving into Mutual Six effective, immediately.

RESOLVED, To adopt Policy 7549 – Lockout Procedures on a preliminary basis until the 30–day posting period is completed.

RESOLVED, To ratify the email vote taken on February 14, 2017, regarding the removal of the tree at Unit 139–F, at a cost of $480.

RESOLVED, That Phase One of the work at Carports 72 and 73 including all portions in the phase be contracted to Jurado Construction, at a cost not to exceed $12, 300, and to authorize the President to sign the contract.

RESOLVED, To approve the roofing contract for an open patio for Unit 142–D, and authorize the president to sign the contract in the amount of $3,000.

RESOLVED, To start the repainting of the curbing Carports 81, 82, 74, 75, and 76, at a cost of $2,000, and authorize the President to sign the contract.

RESOLVED, To rescind Policy 7512 – Guarantor Agreement Form on a preliminary basis until the 30–day posting period is completed.

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: (06) SIX

INSPECTOR: Dave Van Horn

MUTUAL BOARD MEETING DATE: MARCH 24,2017

PERMIT ACTIVITY

UNIT #	DESCRIPTION OF WORK	GRF/CITY PERMIT	PERMIT ISSUE	COMP. DATE	CHANGE ORDER	RECENT INSPECTION	CONTRACTOR / COMMENTS
132 H	SKYLIGHTS	BOTH			NO	STILL NOT SIGNED	REPAIRS NOT COMPLET 2/28/2017
144 H	DISH WASHER	BOTH			NO	SIGNED OFF	3/3/2017

ESCROW ACTIVITY

UNIT #	NMI	PLI	NBO	FI	FCOEI	ROF	DOCUMENTS/COMMENTS
66 E			02/15/17	02/24/17	03/08/17		
64 D			02/08/17	02/08/17	02/22/17		
67 A			02/28/17	03/03/17	03/15/17		
142 B			2/24/17	02/28/17	03/10/17		
61 H			03/08/17	03/08/17			
59 L			03/03/17				

NMI = New Member Inspection PLI = Pre-Listing Inspection NBO = New Buyer Orientation

FI = Final Inspection FCOEI = Final COE Inspection ROF = Release of Funds

INSPECTOR MONTHLY MUTUAL REPORT

MUTUAL: **(06) SIX**

INSPECTOR: **Dave Van Horn**

MUTUAL BOARD MEETING DATE: **MARCH 24,2017**

CONTRACTS

CONTRACTOR	PROJECT
M J JURADO	C/P CONCRETE 1/9/17- 3/31/17
JOHNS LANDSCAPE	4/30/16 - 4/30/18
OC RESERVE STUDY	12/31/17 - 12/31/19
FENN	3/31/15 - 3/31/17

SITE VISITS

UNIT NUMBER	REASONS
142 B, CHECKED STOVE HOOD & BATH FAN.	NO W.O. AT THIS POINT
132 F, REGARDING WINDOW LEAK	NO W.O. AT THIS POINT
137 L, CHECKED ROOF LEAK	W.O. SENT FOR DRY OUT & REPAIR
C/P 72 REGARDING CONCRETE WORK	

FINANCIAL REPORT (Overview) for FEBRUARY 2017

To: Mutual Six Board of Directors
From: Naum Turetskiy, Chief, Finacial Officer

March 15, 2017.

This Month		Year-to-date	

Total Current Income & Contributions to Capital

(Including Regular Assessment, Reserve Funding, Service Income, Interest)

Actual	Budget	Actual	Budget
128,516	127,310	255,898	254,620
Variance : 1,206		Variance : 1,278	

Expenses

(Including Trust Maintance, Utilities, Professional Fees,
Outside Services, Taxes Insurance Contribution to Reserves, Depreciation)

Actual	Budget	Actual	Budget
122,837	127,310	241,645	254,620
Variance : 4,473		Variance : 12,975	

EXCESS INCOME : $13,911

Annual Unused Budget : 1,286,051

The Income from Laundry Machine

Actual	Budget	Actual	Budget
1,420	1,501	3,458	3,002
Variance : (82)		Variance : 456	

Investment Account Activity

Year-to-date Income :	$4,941	Estimated Annual Income :	$ $26,677

P.O. Box 2069
Seal Beach CA 90740

Feb Actual	Feb Budget		2017 Y-T-D Actual	2017 Y-T-D Budget
93,012	93,012	Carrying Charges	186,024	186,024
27,919	27,920	Reserve Funding	55,838	55,840
120,931	**120,932**	**Total Regular Assessments**	**241,862**	**241,864**
1,420	1,501	Service Income	3,458	3,002
2,564	2,269	Financial Income	5,115	4,538
3,601	2,608	Other Income	5,463	5,216
7,585	**6,378**	**Total Other Income**	**14,036**	**12,756**
128,516	**127,310**	**Total Mutual Income**	**255,898**	**254,620**
59,034	59,034	GRF Trust Maintenance Fee	118,068	118,068
7,976	8,849	Utilities	13,096	17,698
980	1,143	Professional Fees	1,923	2,286
0	8	Office Supplies	0	16
17,271	22,094	Outside Services	33,407	44,188
9,656	8,262	Taxes & Insurance	19,313	16,524
27,919	27,920	Contributions to Reserves	55,838	55,840
122,837	**127,310**	**Total Expenses Before Off-Budget**	**241,645**	**254,620**
5,679	**0**	**Excess Inc/(Exp) Before Off-Budget**	**14,253**	**0**
171	0	Depreciation Expense	342	0
5,508	**0**	**Excess Inc/(Exp) After Off-Budget**	**13,911**	**0**
		Restricted Reserves		
(909)	0	Appliance Reserve Equity	5,776	0
256	0	Solar Array Reserve Equity	22,059	0
1,808	0	Painting Reserve	21,117	0
1,700	0	Landscaping Reserve Equity	14,251	0
0	0	Contingency Operating Equity	111,338	0
4,362	0	Roofing Reserve	1,656,232	0
16,415	0	Infrastructure Reserve	158,361	0
23,631	**0**	**Total Restricted Reserves**	**1,989,134**	**0**

1006 Seal Beach Mutual No. Six
Financial Statement Recap
01/31/2017

P.O. Box 2069
Seal Beach CA 90740

Jan Actual	Jan Budget		2017 Y-T-D Actual	2017 Y-T-D Budget
93,012	93,012	Carrying Charges	93,012	93,012
27,919	27,920	Reserve Funding	27,919	27,920
120,931	**120,932**	**Total Regular Assessments**	**120,931**	**120,932**
2,038	1,501	Service Income	2,038	1,501
2,551	2,269	Financial Income	2,551	2,269
1,862	2,608	Other Income	1,862	2,608
6,451	**6,378**	**Total Other Income**	**6,451**	**6,378**
127,382	**127,310**	**Total Mutual Income**	**127,382**	**127,310**
59,034	59,034	GRF Trust Maintenance Fee	59,034	59,034
5,120	8,849	Utilities	5,120	8,849
943	1,143	Professional Fees	943	1,143
0	8	Office Supplies	0	8
16,136	22,094	Outside Services	16,136	22,094
9,656	8,262	Taxes & Insurance	9,656	8,262
27,919	27,920	Contributions to Reserves	27,919	27,920
118,808	**127,310**	**Total Expenses Before Off-Budget**	**118,808**	**127,310**
8,574	**0**	**Excess Inc/(Exp) Before Off-Budget**	**8,574**	**0**
171	0	Depreciation Expense	171	0
8,403	**0**	**Excess Inc/(Exp) After Off-Budget**	**8,403**	**0**
		Restricted Reserves		
2,601	0	Appliance Reserve Equity	6,685	0
256	0	Solar Array Reserve Equity	21,803	0
1,808	0	Painting Reserve	19,309	0
1,700	0	Landscaping Reserve Equity	12,551	0
0	0	Contingency Operating Equity	111,338	0
4,362	0	Roofing Reserve	1,651,870	0
(143,181)	0	Infrastructure Reserve	141,946	0
(132,455)	**0**	**Total Restricted Reserves**	**1,965,503**	**0**

MUTUAL OPERATIONS

DRAFT 2-25-17

RESIDENT REGULATIONS

Lockout Procedures

The following will be in effect for units after the death of a shareholder/owner:

1. Death with Surviving Shareholder/Owner Living in the Unit

   If the death of the shareholder/owner occurred at the unit and a surviving shareholder/owner is living in the unit at the time, a Bereavement Book will be left at the unit by Security.

   If the death of the shareholder/owner occurred outside the unit and a surviving shareholder/owner is living in the unit at the time, a Bereavement Book will be provided by Foundation personnel at the time the death is reported.

2. Death of Sole Owner

   a. Unattended Death

      If death is unattended and the unit is sealed per law enforcement or coroner's order, then no one may access the unit until official next-of-kin determination is made by the coroner's office. Security will leave a Bereavement Book at the unit and place a knoblock on the door. If the door cannot accommodate a knoblock, a plywood sheet shall be affixed over the door. If someone comes forward as Trustee, non-resident co-owner or with other legal authority, Foundation personnel must check with the coroner's office before permitting access to the unit.

   b. Attended Death

      Security will identify on the DOA report those present at the time of death, including family members, hospice workers, caregivers, and other individuals. A Bereavement Book will be left at the unit. If someone present is identified as legal authority of the unit and can provide evidence of same, Security will instruct them to visit the Stock Transfer Office as soon as possible. Security will inform all persons present that no one may stay in the unit overnight without Mutual permission, unless they are a registered caregiver or co-occupant.

      If legal authority is not established at the unit via documentary evidence, all persons present will be asked to leave the unit until legal authority is established at the Stock Transfer Office. From there, the unit will be knoblocked or a plywood sheet shall be affixed to the door. The exception to this is if a registered co-occupant or caregiver lives at the unit, or if Mutual permission is obtained.

(Draft created 02/25/17 ck)

MUTUAL OPERATIONS

DRAFT 2-25-17

RESIDENT REGULATIONS

Lockout Procedures

3. Reporting of Death to Mutual President

Shareholder/owner deaths shall be reported to the Mutual President within one (1) to two (2) business days with the following information:

a. Name of decedent
b. Date and location of death
c. Identification of persons present at unit (if any)
d. Name, relationship and contact information of surviving shareholder/owner (if any)
e. Name, relationship and contact information of decedent's emergency contacts (if no surviving shareholder/owner is present at the unit)
f. If legal authority has been established
g. If/how the unit was secured
h. If there are any registered co-occupants, caregivers or pets at the unit

DRAFT

MUTUAL ADOPTION
Mutual: date

(Draft created 02/25/17 ck)

MUTUAL OPERATIONS

RESCIND ALL MUTUALS

RESIDENT REGULATIONS

Guarantor Agreement Form

To: GOLDEN RAIN FOUNDATION
a corporation
1661 Golden Rain Road
Seal Beach, California 90740

and SEAL BEACH Mutual NO._____
a corporation

I, _____, the undersigned, hereinafter called "Guarantor," in order to induce you to enter into and permit the issuance by the Golden Rain Foundation of a membership certificate in the Golden Rain Foundation and the transfer and issuance of a share of stock in Seal Beach Mutual No. ____, hereinafter called "Mutual," to _____, hereinafter called "Stockholder," do hereby individually, jointly and severally, as the case may be, guarantee the performance by said "Stockholder" of all the terms and conditions of said Occupancy Agreement and the payment of all payments and monthly carrying charges under the terms and conditions recited in said Occupancy Agreement, or any renewals thereof, and the Guarantor further hereby individually, jointly and severally, as the case may be, under takes to and does agree to indemnify and hold you and your successors and assigns harmless form and against any and all liability, loss, damage or expense including counsel fees which you may incur or sustain by reason of the failure of said "Stockholder" to fully perform and comply with the terms and obligations of membership in the Golden Rain Foundation, the Occupancy Agreement, and the purchase of share of stock in Seal Beach Mutual No.____.

This guarantee is absolute and complete and shall extend to and cover any and all forms of indebtedness and liability on the part of the said "Stockholder" to the Golden Rain Foundation and/or "Mutual" heretofore accrued or hereafter accruing or arising from the issuance of said membership in the Golden Rain Foundation, said share of stock in "Mutual" and said Occupancy Agreement, and shall extend to any indebtedness of said "Stockholder" to such corporations, and said guarantee shall be a continuing guarantee and no notice of any indebtedness already or hereafter contracted or renewed need be given to the Guarantor or any of them. The Guarantors hereby expressly waive presentment, demand, protest, and notice of protest on any and all forms of indebtedness and also waive notice of the acceptance of this guarantee. Acceptance on the part of the said corporations being conclusively presumed by its request for this guarantee and delivery of the same to it.

Each of the undersigned acknowledges that this guarantee is operative and binding without reference to whether it is signed by any other person or persons. The undersigned all acknowledged that this guarantee is not subject to revocation by the undersigned and pertains to and applies to all monthly carrying charges and payments under the said Occupancy Agreement and said certificates as hereinabove referred to for so long as the said "Stockholder" and/or his or her estate shall hold stock in said corporation.

(Draft created 02-28-17 cd))

MUTUAL OPERATIONS

RESCIND ALL MUTUALS

RESIDENT REGULATIONS

Guarantor Agreement Form

GOLDEN RAIN FOUNDATION
a corporation

By_____ _____
GUARANTOR

SEAL BEACH MUTUAL NO._____ _____
a corporation GUARANTOR

By_____ Dated_____

DRAFT

GRB
Approved: 18 Dec 73

(Draft created 02-28-17 cd))